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March 19, 2013

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

Re: Application of Carolina Water Service, Incorporated for Approval of a Bulk Sewer Service Agreement between Carolina Water Service, Incorporated and Utilities, Incorporated and Georgetown County Water and Sewer District

Docket No. 2012-383-WS

Dear Ms. Boyd:

The South Carolina Office of Regulatory Staff ("ORS") respectfully requests that the Public Service Commission of South Carolina ("Commission") require Carolina Water Service, Incorporated ("CWS") to provide notice to the affected customers of the potential increase in billing associated with the proposed interconnection with Georgetown County.

On March 18, 2013, CWS filed an affidavit out of time asserting that notice was provided by U.S. Mail as required by the Commission. However, the notice that was mailed to the affected 275 customers states that the typical customer will pay about \$41.73 per month based on 7,000 gallons, according to estimates provided by Georgetown County. Specifically, the notice states as follows:

Once the Bulk Sewer Service Agreement is approved, a typical customer will pay about \$41.73 per month, based on a collection charge of \$26.73, and a \$15.00 pro rate charge based on 7,000 gallons per month in sewer flow, according to estimates provided by Georgetown.

Currently customers pay \$40.56 per unit. Using information provided by CWS and the Department of Health and Environmental Control ("DHEC") and with the help of officials in Georgetown County, ORS's calculations show that these 275 customers will be paying as much as \$90 or more per unit per month.

As a result, ORS contends that the notice provided is incorrect and misleading, and if the request is approved as filed, the affected customers will not have received reasonable notice such that they might participate in this proceeding.

On March 1, 2013, ORS discussed with the Company its findings and explained ORS's calculations. To date, the Company has not contended that ORS's calculations are erroneous. In response to ORS's concerns, the Company indicated that it would look at an alternative proposal to cap the billing to the customers at \$41.73 (the amount noticed to the customers). ORS has not received any alternative proposal. ORS offered to facilitate discussions with DHEC, Georgetown, and the Company to affect a transfer of these 275 customers to Georgetown, which is the least costly solution for these customers.

Based on the foregoing, ORS contends that insufficient notice has been provided to affected customers and objects to the filing of the affidavit out of time. ORS requests that the Commission require the Company provide the affected customers notice of the potential increase in billing.

ORS is open to reviewing alternative proposals from the Company, or if the Company has any interest in pursuing, is willing to facilitate negotiations to transfer these customers to Georgetown.

Thank you for your consideration of our concerns.

Very truly yours,



Nanette S. Edwards

cc: Scott Elliott, Esquire
Charles L.A. Terreni, Esquire